

A DETAILED INVESTIGATION INTO THE HOUSING NEEDS OF GRANDBOROUGH



PRODUCED BY
MIDLANDS RURAL HOUSING

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1. Summary

- A Housing Needs Survey was carried out in the village of Grandborough in March 2016.
- Results obtained showed there was a need in the next 5 years for 2 open market (sale) homes and 1 affordable home for local people enabling them to be suitably housed within the community.
- If an affordable need was found in the future, local needs affordable homes could be developed on a ‘rural exception site’¹, if available, and subject to local support some open market sale homes could be used to cross-subsidise the affordable homes.
- The alternative to this is that the local homes that are needed are developed as part of a larger development if the opportunity arises and if the needs cannot be met by existing properties.
- The housing needs that have been identified along with the potential ways to meet them, if desired and necessary will be explored further by Rugby Borough Council and Midlands Rural Housing in consultation with the Parish Council and the local community.

2. Introduction

Midlands Rural Housing (MRH) is one of the leading providers of rural housing services in the UK. MRH works with government organisations, developers, architects, builders, parish councils, local authorities, and housing providers to assess the needs for as well as enable access to excellent affordable homes in the Midlands. More details of the work of MRH can be found on the web site (www.midlandsrural.org.uk).

In Rugby, MRH carry out rural housing enabling services for the Borough Council. Rugby Borough Council instructed MRH to investigate the local housing needs of the residents of Grandborough as part of the programme of Housing Needs Surveys that is taking place across the area to understand the housing needs of rural communities. MRH worked with Grandborough Parish Council to agree and arrange the Housing Needs Survey of the village.

¹ An exception site is a piece of land outside but touching the village boundary that can be developed as an exception to normal planning policy. Planning permission is only granted on sites where it has been demonstrated that housing is needed and the homes provided will be affordable and reserved for local people as a priority in perpetuity i.e. now and in the future.

3. Rural housing and the Housing Needs Survey

Average property prices in rural areas have increased more than urban areas in monetary terms over the past 5 years² forcing many local residents to move away from their towns and villages in order to find suitable and affordable homes. House prices in the countryside are now from £20,000 to £50,000 higher than in urban areas, despite average wages being lower.

The number of people on waiting lists for affordable homes in rural England has soared to around 750,000³. New household formation is outstripping supply by 3 to 1 (source: CLG). Increasing house prices and the limited availability of appropriate properties has resulted in local people being unable to find a home within their community and this may be happening in Grandborough.

The Grandborough village Housing Needs Survey questionnaires were delivered to every household in the village in early March. The return date for the survey was 31st March and returns were made via a postage paid envelope directly to MRH. Survey forms were distributed to all households in the village as well as to those who contacted MRH to say that they had moved away from Grandborough or had a strong connection to the village and wished to complete a form. In total 162 survey forms were distributed.

The Housing Needs Survey was conducted in order to obtain clear evidence of any local housing need for a range of housing tenures for Grandborough residents. This evidence will be made available to Rugby Borough Council; Grandborough Parish Council; used to inform Housing Strategy; and provide clarity on what type and tenure of housing is required to meet local needs.

In addition, the information can be used positively in the planning process. It provides a foundation on which to negotiate 'planning gain' opportunities with developers. In short, it gives planners and parish organisations evidence that can be used to obtain an element of 'local needs' housing in negotiations with house builders, should such situations arise in the village.

The information obtained from a Housing Needs Survey is also invaluable at the local level, particularly in relation to local authority, parish council and neighbourhood planning activities. Such information can be acted upon locally and taken on board in the decision making process when housing issues arise.

² Halifax Rural Housing Review 2015- "a house in a rural area costs £206,423 on average, which is 13 per cent more than the typical cost of a property in an urban area at £182,710."

³ National Housing Federation, Rural housing research report 2015

4. Conclusion

MRH has conducted a detailed study of the housing needs of Grandborough up to 2021. This study has not only investigated the affordable housing need of the village, but also for market rent level housing and open market housing.

The survey has identified a need for affordable and open market properties in need in the next 5 years for those with a connection to Grandborough.

Of the 5 respondents who indicated a housing need in the next 5 years:

- 2 were assessed as being in need of open market housing (for local people) to purchase

2 x 2 bed house - open market purchase

- 1 were assessed as being in need of affordable housing for rent or shared ownership

1 x 2 bed house - shared ownership

The Rugby Borough Council Housing Register was also cross referenced and no households with a connection to the Parish are on the register with an interest to live in affordable housing in Grandborough.

THERE IS AN IDENTIFIED NEED FOR
2 OPEN MARKET HOMES AND 1 AFFORDABLE HOME
IN GRANDBOROUGH FOR THOSE WITH A LOCAL
CONNECTION

Appendix 1 - Housing Need Analysis

Of the 60 returns, 57 were from people who felt that they were adequately housed at present. These respondents completed a form primarily to offer their support, objection or thoughts towards 'local needs' housing and comments on life in the village. It was, therefore, not necessary to process these in the 'housing needs analysis' as they had not indicated a housing need for the next 5 years.

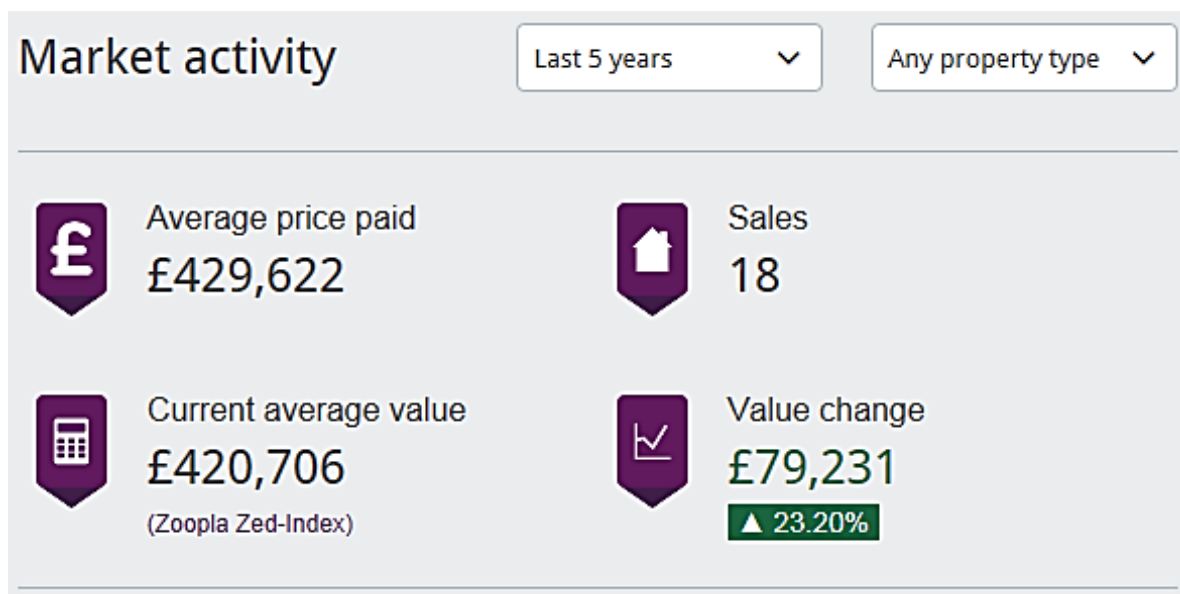
i) Respondent analysis

The following table lists details of the 5 respondents who stated that they are in housing need in the next 5 years. Respondents were asked to identify what they felt is needed in terms of property type and size together with a preferred tenure type. In reality it may not be possible to meet the aspirations of each respondent. Incomes and likely property prices are considered in order to ensure that any proposed future homes would indeed meet the needs of those to be housed. Therefore a 'likely allocation/purchase' is suggested to outline realistic provision.

RESPONDENTS BELOW HAVE A NEED THAT IN THE NEXT 5 YEARS						
Ref	Local Connection?	On Housing Register?	Household details	Reasons for need	Preferred home and tenure	Likely allocation / purchase
8	Yes	No	Couple living in own home	Need smaller, cheaper home	2 bed house - Open market / retirement home	2 bed house - Open market home
30	Yes	No	Single person living with family	Needs first home	2 bed house / bungalow - Open market / shared ownership home	2 bed house - Shared ownership
30	Yes	No	Family living in with extended family	Need first home	2 / 3 bed house - Open market home	2 bed house - Open market home

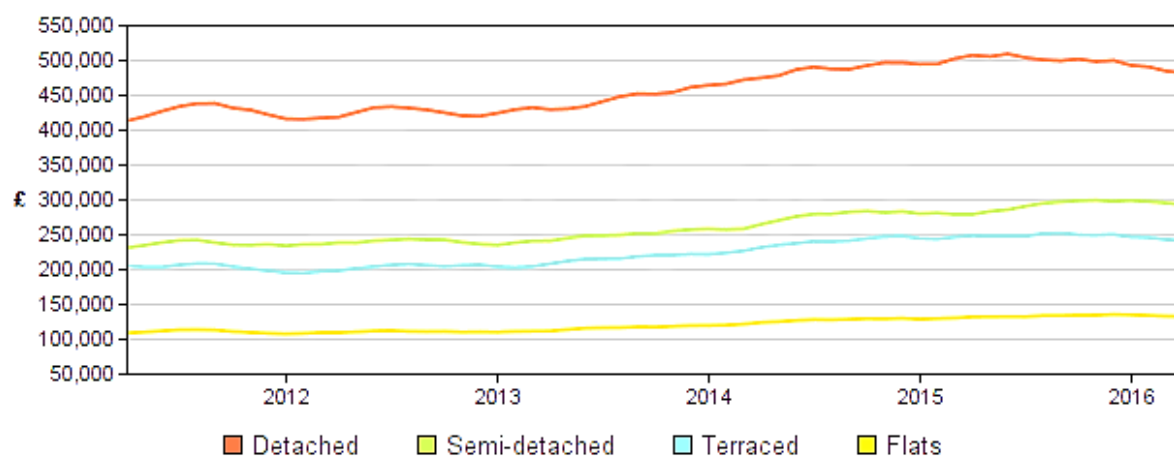
The Rugby Borough Council Housing Register was also cross referenced and no households with a connection to the Parish are on the register with an interest to live in affordable housing in Grandborough.

ii) House price trends



Property prices in the Grandborough have, overall, increased over the past 5 years. During that period prices have increased by an average of 23.20% (£79,231).

Value trends in Grandborough, Rugby



iii) Local context - properties for sale

By way of local context, the tables below shows prices of properties that were for sale or private rent in Grandborough in April 2016 (source: www.zoopla.com).

Current asking prices in Grandborough

Average: **£500,000**

Property type	1 bed	2 beds	3 beds	4 beds	5 beds
Houses	-	-	-	-	-
Flats	-	-	-	-	-
All	-	-	-	-	-

Current asking rents in Grandborough

Property type	1 bed	2 beds	3 beds	4 beds	5 beds
Houses	-	-	-	-	-
Flats	-	-	-	-	-
All	-	-	-	-	-

There are currently no properties for sale or rent in Grandborough.

iv) Local context - properties sold

Property value data/graphs for Grandborough

Property type	Avg. current value	Avg. £ per sq ft.	Avg. # beds	Avg. £ paid (last 12m)
Detached	£480,889	£239	4.1	£776,925
Semi-detached	£291,665	£235	3.6	£280,000
Terraced	£240,442	-	2.6	-
Flats	-	-	-	-

Affordability is calculated using a mortgage multiplier of 3.5 times household income with a 20% deposit.

The average property price for actual sales since April 2015 (total 5 sales) can be seen on the right hand column of the chart above. The average current value for each property type can be seen in the left hand column. Based on the affordability criteria explained above, to purchase the 'cheapest' property type at the average price paid over the last 12 months (a semi detached home at £280,000) would require a deposit of £56,000 and income of over £64,000 per annum.

Appendix 2 - Respondent details

A total of 162 survey forms were distributed and 60 were received in return, giving a return rate of 37% against the number distributed. In our experience this is a good level of response for a survey of this kind. It is only those who have a housing need or are interested in a local development and general village life that are likely to respond.

i) Household type

The questionnaire asked village residents to indicate the type of household they are. This enabled the charts below (fig 1.1), to be produced:

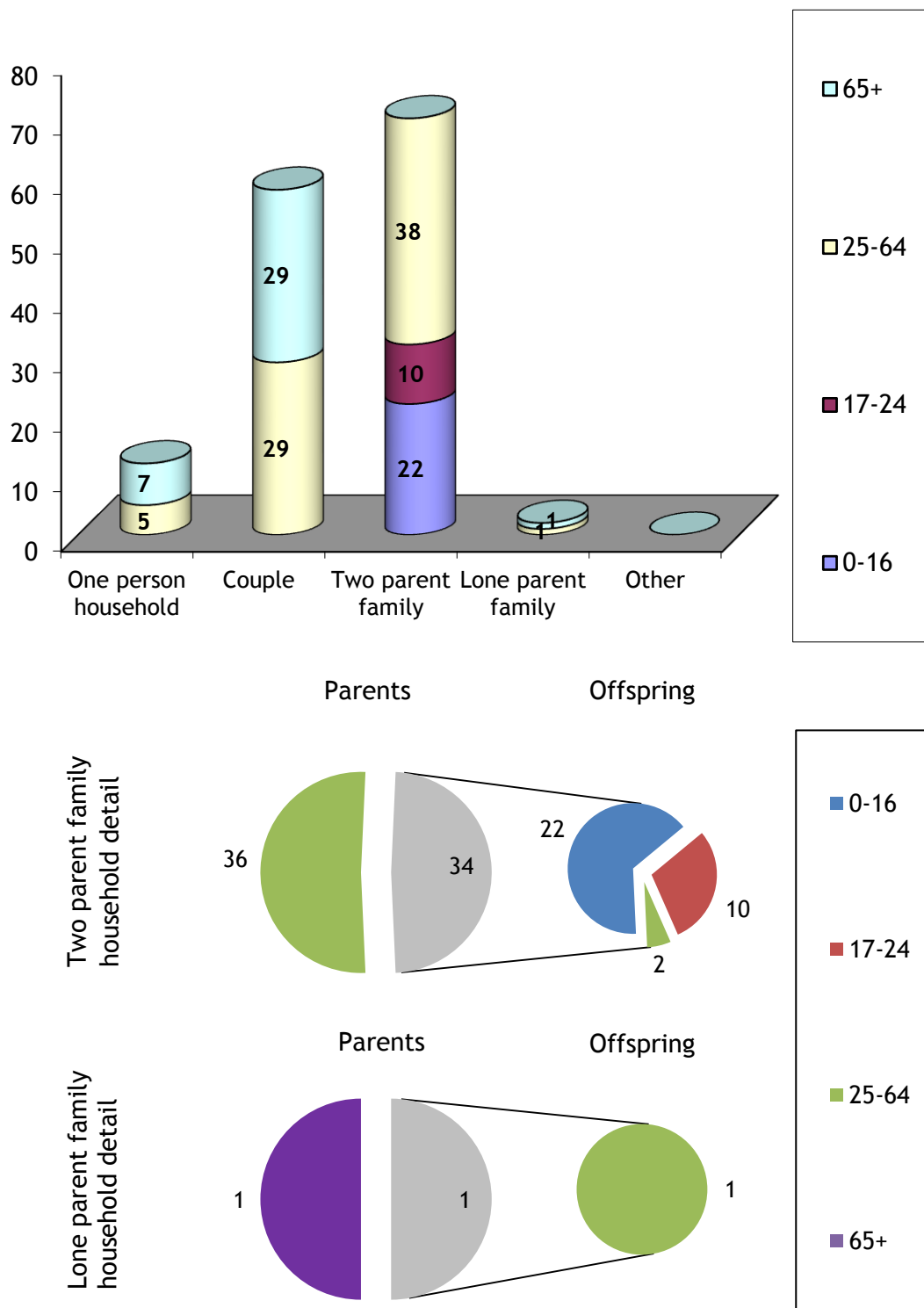


Fig 1.1 - Household type

Fig 1.1, above, shows the age range breakdown of households that responded to the survey.

The largest number of responses (29) was from those living in from couple only households. Exactly half of people in those households were 65 years and over and the other half were aged between 25-64 years old.

18 responses were received from two parent family households. The parents of these households were all aged between 25-64 years old and the offspring living in the two parent family households were in varying age categories. 65% of the offspring were under 16 years old; 29% were 17-24 years old and 6% were aged between 25-64 years old. These 12 cases of people aged 17 years and over could point to 'concealed households' where young adults and adults are still living with parents when they may like to live elsewhere in the near future.

There were 12 responses from one person households (58% of which were aged 65+ years old, with 42% being aged between 25-64 years old) and 1 response from a lone parent household.

ii) Tenure of all respondents

The current household tenure of respondents is given in the chart below (fig 1.2):

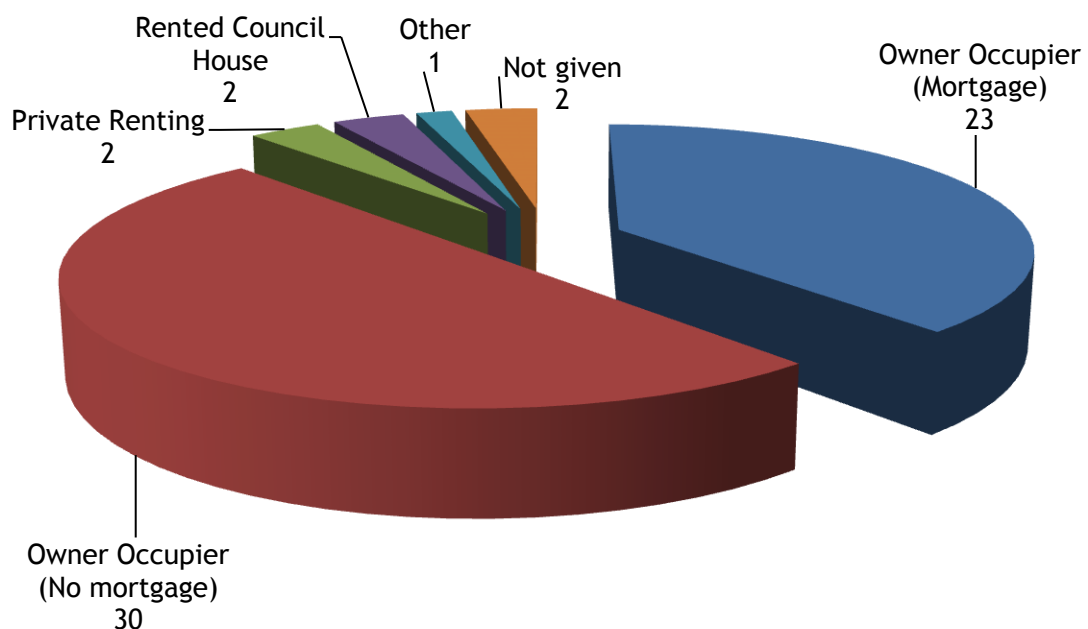


Fig 1.2 - Tenure of respondents

It shows that owner-occupiers were by far the largest tenure group accounting for 88% of replies (50% of total survey respondents have no outstanding mortgage on their property and 38% have a mortgage on their home).

3% of responses came from those living in a rented council house; 3% from those in privately rented accommodation; and 2% from households defined as 'other'.

iii) Property Types

The following chart (fig 1.3) details the type of property that respondents currently reside in:

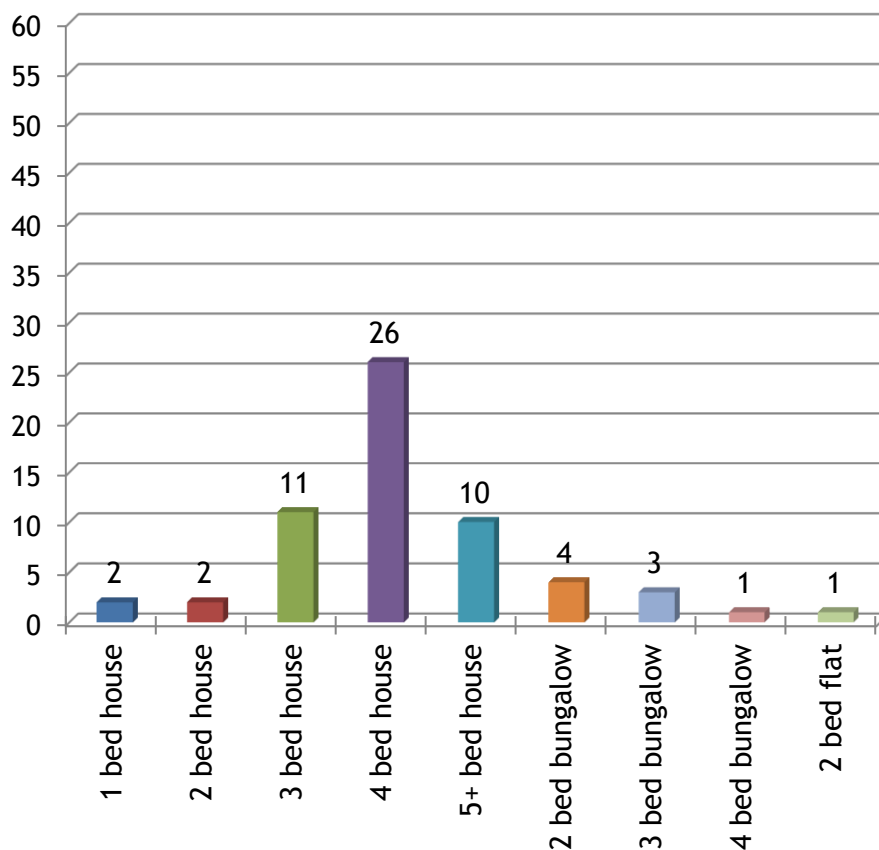


Fig 1.3 - Property types

Those living in 4 bedroom houses were the largest group (43% of responses), followed by those living in 3 bedroom houses (18%). 13% of responses were from people living in a bungalow.

iv) Length of residence in village

The length of time that respondents have lived in the village is given in the chart below (fig 1.4):

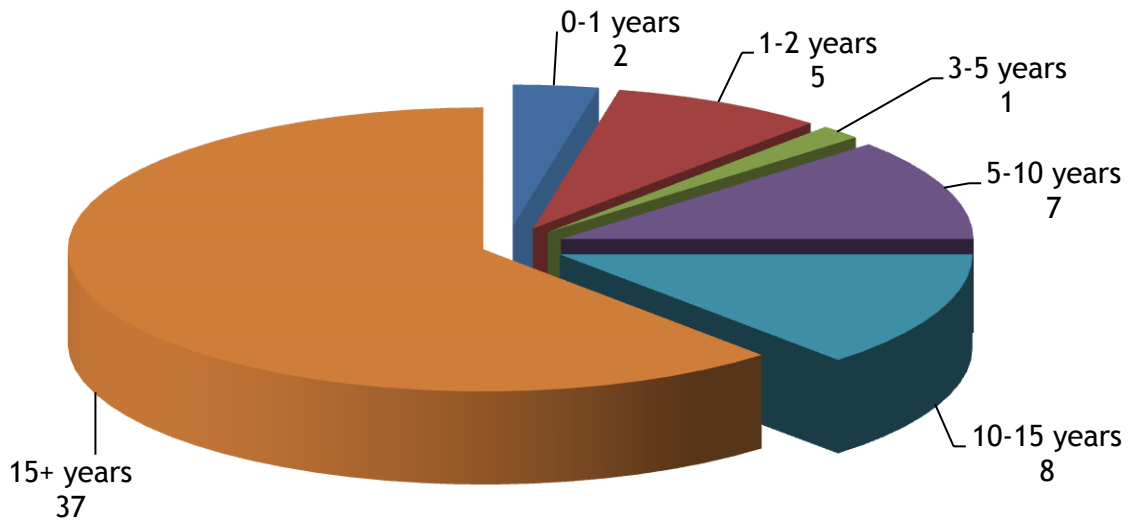


Fig 1.4 - Length of residence in village

It shows that 62% have lived in the village for in excess of 15 years.

13% of respondents have lived in Grandborough for between 10 and 15 years, and 12% have been there for between 5 and 10 years. 13% of responses came from those who have lived in the village for less than 5 years.

v) Anticipated next home move - tenure

The following chart (fig 1.5) shows the tenure that respondents expect to move into in their next home move:

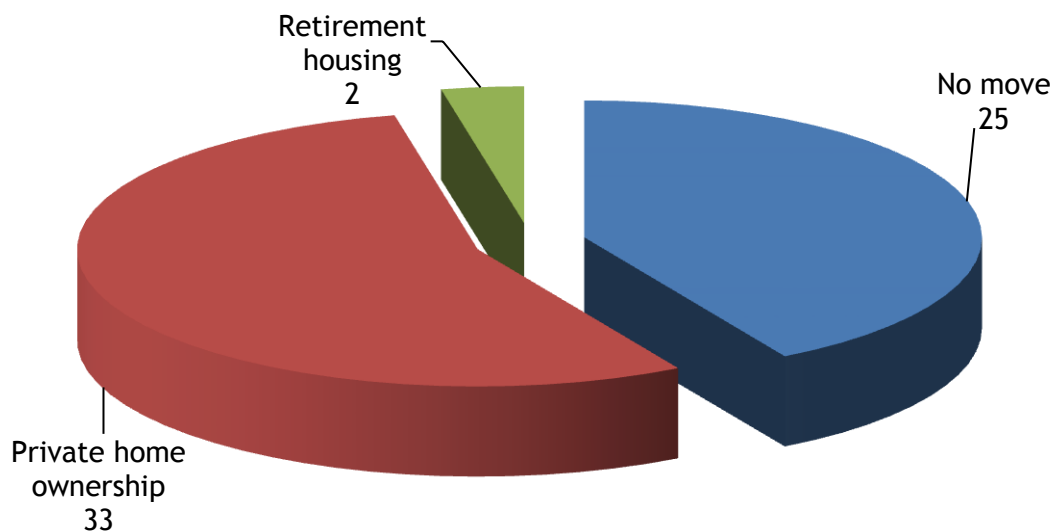


Fig 1.5 - Anticipated tenure for next home move

42% of completed questionnaires came from villagers who do not expect to move home again. 55% of people anticipate their next property being a privately owned home and 3% believe they will move into retirement housing.

vi) Anticipated next home move - time

The timescale for the anticipated next move for respondents is detailed below (fig 1.6):

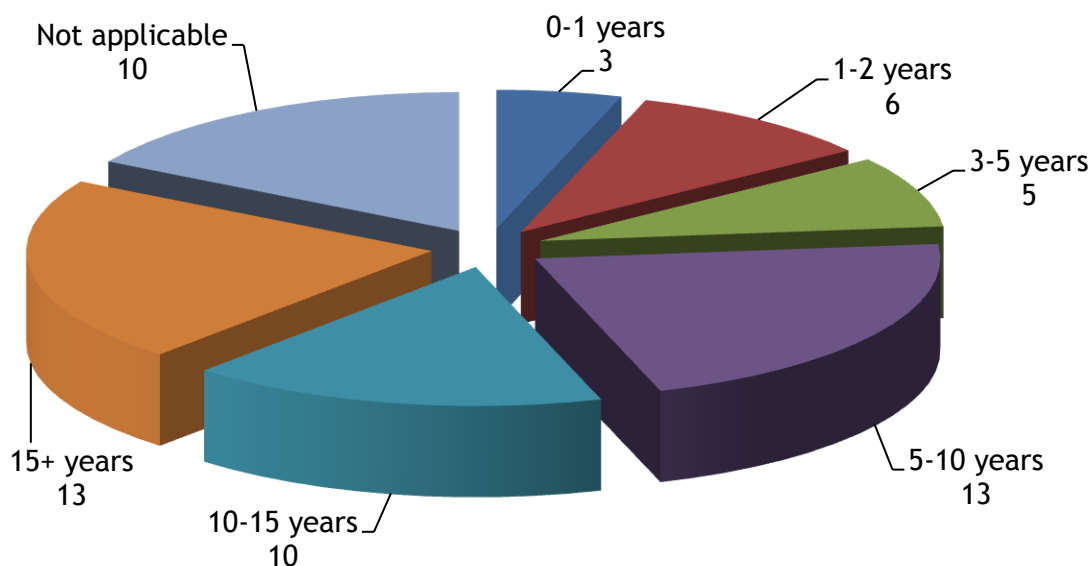


Fig 1.6 - Anticipated tenure for next home move

38% of responses came from households that do not expect to move again or expect any move to be at least 15 years away. 17% of respondents expect their next home move to be in 10-15 years and 22% anticipate moving in 5-10 years time.

8% believe they will move in 3-5 years whilst 15% of respondents expect to move within 2 years.

vii) **Life in the village**

The following two charts detail respondents' answers to the 'life in the village' questions.

The views expressed allow a picture of life within the village to be built up. This information can help assess whether any homes that are subsequently provided in the village will be 'sustainable.' Ensuring that people will want to take up tenancies and live in a village both now and in the future are important factors when considerations around the provision of new homes take place.

The first question asked village residents how they felt about the 'positive' factors of life in Grandborough.

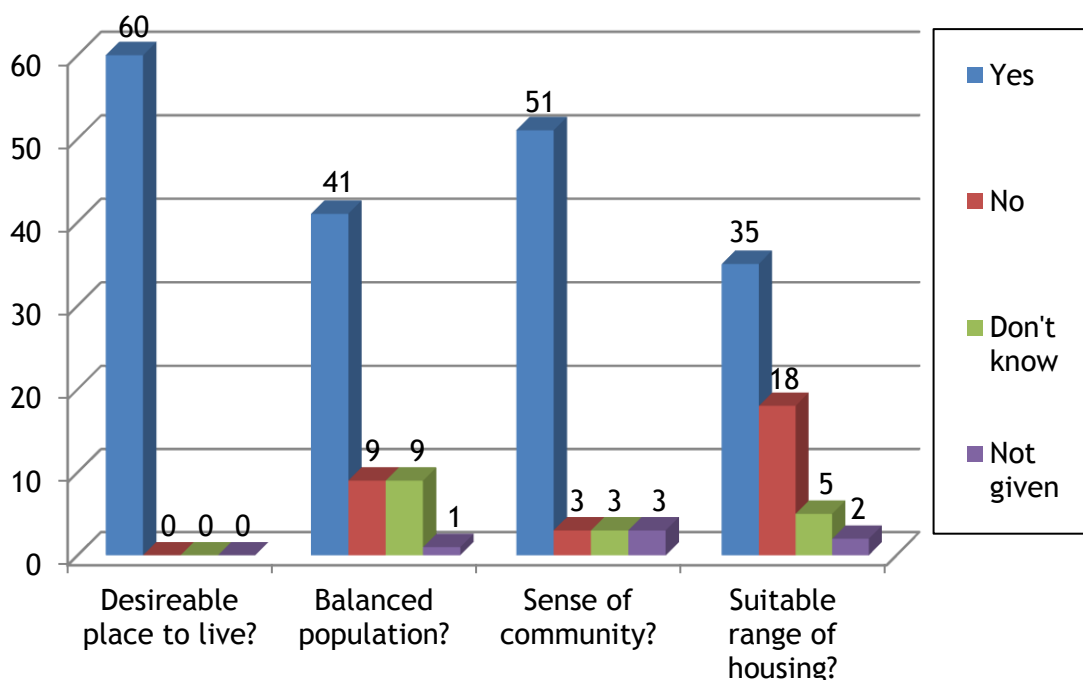


Fig 1.7 - Life in the village - positive factors

From fig 1.7, above, it can be seen that the majority of respondents are very positive about life in Grandborough. 100% believed that the village is a desirable place to live and 85% thought that it enjoys a sense of community.

68% of completed questionnaires came from those who believed that the village has a balanced population (15% did not). 58% of responses said that the village has a suitable range of housing whilst 30% said that it does not.

The second question sought village residents' perceptions on the potentially negative aspects of life in the village.

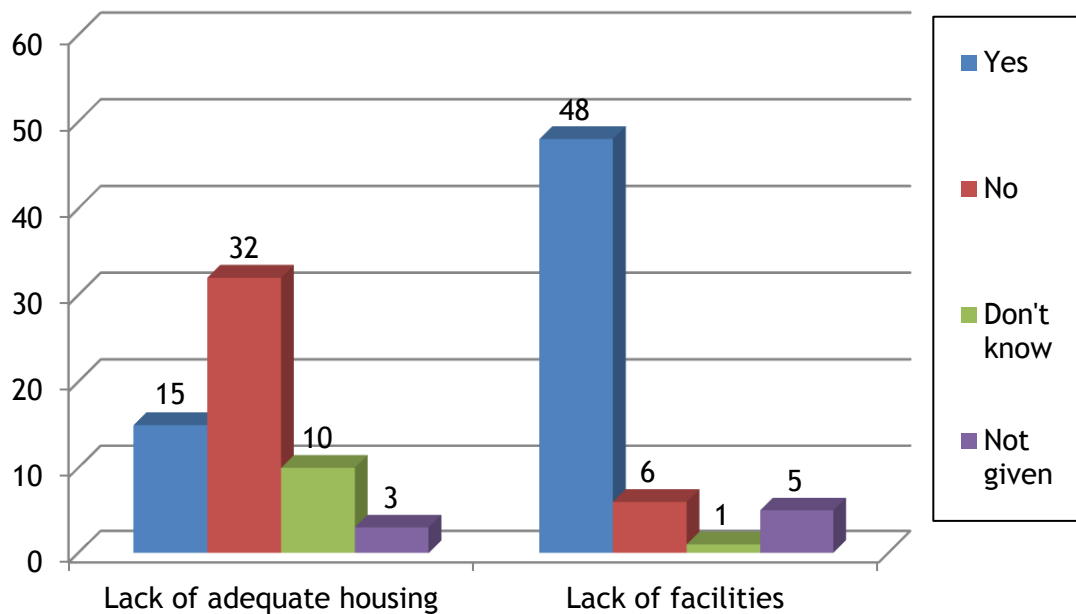


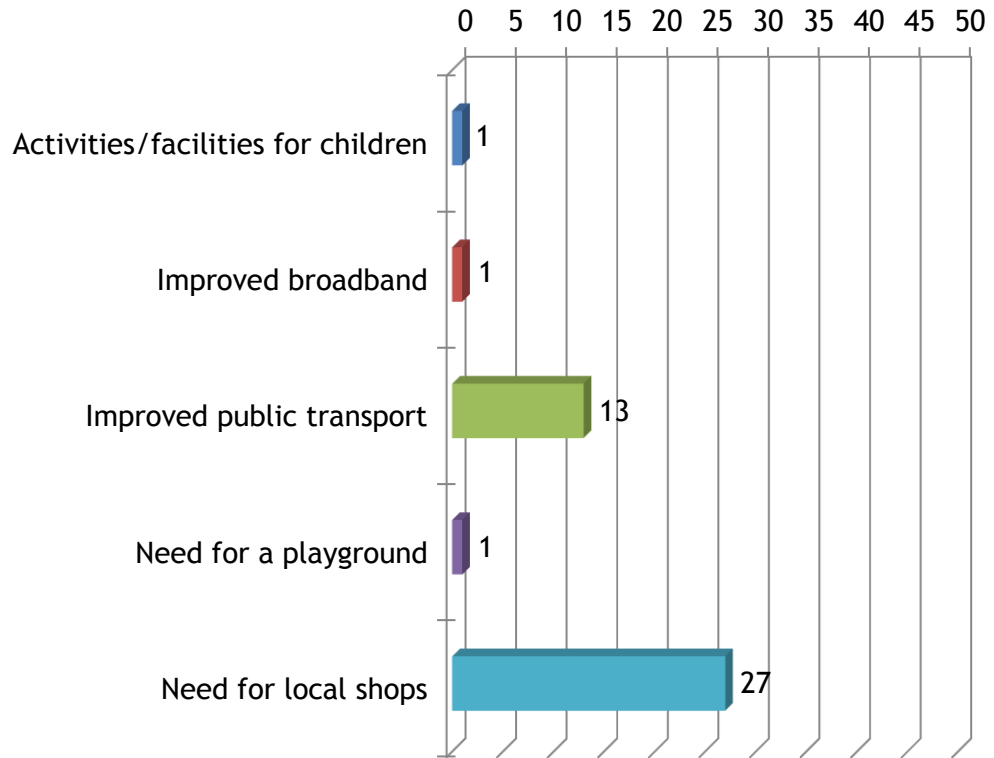
Fig 1.8 - Life in the village - negative factors

As can be seen from fig 1.8, above, 53% of respondents believed that there is not a lack of adequate housing in Grandborough whilst 25% of returned surveys felt that there is.

Respondents' perception on whether the village is well served by facilities saw 80% of respondents stating that there is a lack of facilities in the village whilst 10% felt that there is not.

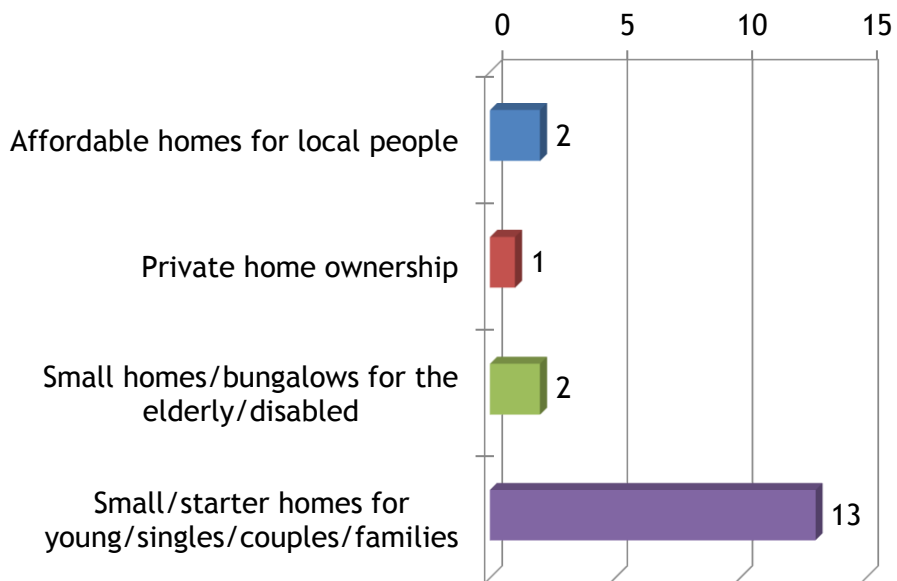
Some respondents provided further details around their thoughts on this question. These can be found on the following two pages.

Do you feel that the village suffers from a lack of facilities? Those that answered 'yes' and provided a comment can be summarised as:



Of the 48 responses (80%) who felt that the village lacked facilities the majority of these were focused around the requirements for local shops and improved public transport.

Do you feel that the village suffers from a lack of adequate housing? Those that answered 'yes' and provided a comment can be summarised as:



Of the 15 responses (25%) who felt that the village had a lack of adequate housing most responses felt that small starter homes were missing or needed.

viii) Migration

The survey also asked whether respondents knew of people who had been forced to leave the village because of a lack of suitable or affordable accommodation.

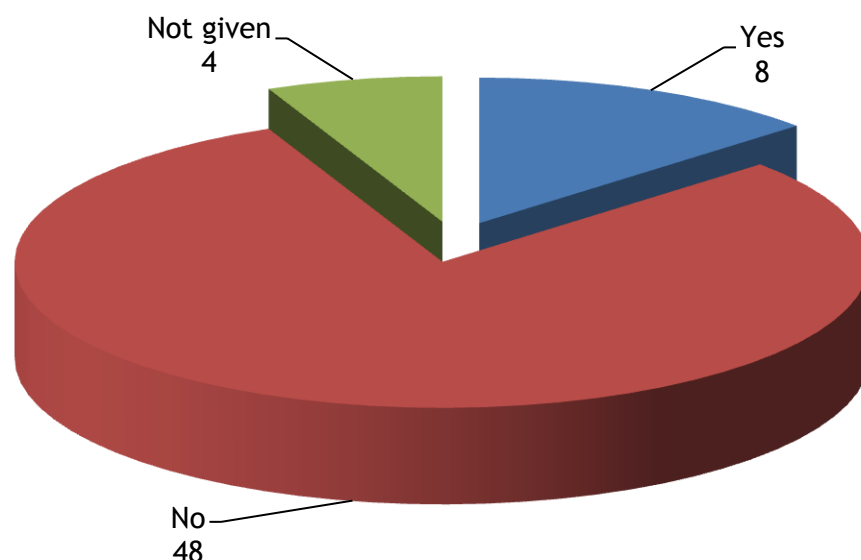


Fig 1.9 - Migration

Fig 1.9 shows that 13% of village residents who returned questionnaires were aware of others who have had to leave the village in the last 5 years due to a lack of suitable or affordable accommodation.

These 'leaving' people/families may have been 'double counted' within this figure, but the number is still noteworthy considering the size of the village and the timescale involved.

ix) Support for an affordable housing scheme for local people

One of the fundamental questions in the survey is that which asks whether people are in favour of a small scheme of affordable homes in the village for local people.

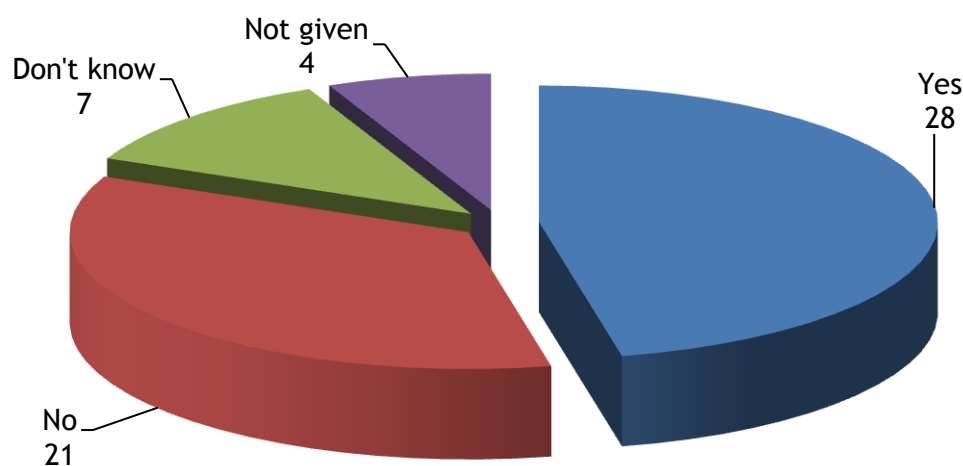


Fig 2.0 - Support for affordable homes for local people

Fig 2.0, above, shows that 47% of respondents stated that they are in favour of an affordable housing scheme for local people and would support such development while 35% said that they are not in favour. 12% of respondents were not sure at this stage.

Appendix 3 - Contact information

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